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From State to Public Service: The Failed Reform of State Television in Central Eastern Europe

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This comparative study questions whether the transformation of state television into public service television was successful in Bulgaria, the Czech Republic, Hungary, Poland and Romania. It analyzes the context in which public service televisions operate, as well as their professional identity and mission in the dual broadcasting markets. The study also evaluates the editorial independence of public service television in the region, and puts forward policy proposals to improve its performance.

1. Introduction: A decade of freedom and disillusionment

Eastern Europe's rapid pace of change in the past ten years has meant that developments that would normally occur over the course of many years took place in just one decade. The fate of public television is illustrative in this respect. In just one decade public television in former Communist countries evolved from being a powerful state propaganda instrument (Serbian Television under Milosevic) to an instrument of popular liberation (the 'Live Romanian Revolution') and finally to a position of increasingly minor media and political relevance. This evolution was not only more concentrated than the Western European experience, but also substantially different. Freedom of the press and deregulation of broadcasting in ECE¹ emerged in an unstable political and social environment, in societies searching for an identity and a normative system to replace the Communist one. The legacies of the Communist times, transition and its accompanying deregulation and fiscal austerity policies, and the desperate power struggles between the old and the emerging political elites also shaped the fate of public television, the once all-powerful media actor. As a result, the constraints under which broadcasters work have substantially increased. Ten years after the fall of communism,

1. Abbreviations used are: ECE - East Central Europe; EBU - European Broadcasting Union; EU - European Union; EC - European Commission; CE - Council of Europe; TVR- Romanian Television; CT- Czech Television; BC - Broadcasting Council; MTV - Hungarian (Magyar) Television; PTV- Polish Television; BTV- Bulgarian Television.

despite parliaments passing legislation to transform state television into public service television, commercial channels have largely taken over and become market leaders, while public service channels encounter growing deficits and crises of legitimacy.

Few studies have focused on the role of the media and broadcasting in new democracies and the relationship between the media and the emerging political and social order (O'Neill 1998 Sparks 1995; 1998). Unlike the rest of the media, public broadcasting is still subject to political influence in many Western countries (France and Italy are the best examples). Second-wave democracies such as Spain, Greece and Portugal offer closer models to compare with the situation in ECE. Yet, these second-wave democracies were authoritarian rather than totalitarian regimes. Totalitarianism is intent on conquering the souls of the people under its rule; its use of television to that respect could be the object of a specific study in itself. There are therefore almost no telling examples to resort to when studying the transition of ECE media from totalitarianism to free market society.

To understand the situation of the media in ECE after the fall of communism, it is important to note that media freedom was not granted to the sector by governments via negotiations but grew independently within most countries once it became clear that there were no longer any communist barriers to prevent free speech. Only at a later stage did media freedom become institutionalized to a certain extent. In some countries journalists opposed any attempt to regulate the media for fear that the regulation might be used to curtail their newly acquired freedom. Even when laws were eventually passed, pirate radio stations continued to broadcast without a license in Poland and Romania, for example. Some countries were slower than others to privatize the state media, and privatization did little to stem the sudden emergence of new, private newspapers and radio stations. The new governments inherited power over television. In the print press sector, while some of the communist press survived, the new climate of relative openness initially sparked the emergence of hundreds of newspapers. This furious outburst of expression is perhaps, as Gáspár Miklós Tamás has noted, the most important phenomenon of the transition process (Tamás 1999).

Nevertheless, the new regimes proved as intent on keeping control over state media as the communist regimes had been, and in many cases state television continued to serve merely as a government mouthpiece (O'Neill 1998). Yet, since all ECE countries became Council of Europe members and later associate members of the European Union, they are subject to the latest European policy on broadcasting – the *Television without Frontiers* directive – which, over the

course of a few years only, led to the deregulation and liberalization of the television market. Therefore, private television was established *before* the governments resigned themselves to freeing public service channels. Private television channels demonstrated the need for politicians to find more subtle ways of using the media in the new context of the pluralism. *Romanian Television* (TVR), for instance, presented the defeat of the post-communist government in the 1996 local elections as a victory, yet since three other private channels were already in existence and ready to dispute its claim, its effort only served to further damage its credibility.

During the early phase of reform, discussions about the ‘public interest’ were left behind by the fast pace of events. New commercial broadcasters broke their original broadcast license commitments and succeeded in having laws revised to meet their needs as well as to accommodate public demand for commercial channels.

We once again face one of transition’s essential problems: the New World that people dreamt of and looked up to under Communism has little to do with the reality people face today in those countries. The idealized Western European model that people looked up to has either changed so radically that it has practically vanished, or has become inaccessible for ECE countries. Transition countries are bound to an ever-changing destination – knowing what the destination looked like when they embarked, yet knowing also that by the time they arrive it may have radically changed. In other words, a clear model for the transformation of public service broadcasting is missing in Europe, despite the democratic norms being put forward by, amongst others, the Council of Europe. This, of course, has complicated these services’ transition in Eastern Europe.

2. Reaching a successful public television model

This paper surveys the transformation of public television in the Czech Republic, Poland, Hungary, Romania and Bulgaria. The period of time I look at goes from the onset of democratic regimes in 1989 or 1990 until today, meaning before and after broadcasting legislation was adopted in all of these countries. The analysis is based on the study of new broadcasting legislation and interviews I had with executives of public service and private television channels as well as politicians and media analysts in the fall of 1999 in Poland, the Czech Republic, Hungary and Romania. Last but not least, my two years’ experience as director in charge of reform at the Romanian Television and the consultancy advice

received on this opportunity from Western colleagues contributed to the conclusions of this survey.

The deregulation of the television markets provoked a wide debate in Europe over television's role. It was rightly stressed that one's conception of broadcasting must be in step with one's larger conception of society (Tracey: 1993: 19). The two main philosophies concerning public television, economic and democratic, are usually presented as being mutually exclusive (Atkinson: 1997). However in this paper I will try to view them as complementary. In my view, in a society transiting both from totalitarianism to democracy and from a command to a market economy the two approaches are not exclusive, but in fact complementary. Therefore, I will examine the *independence* of state television, i.e., the freedom of both managers and journalists to run public television as well as the *performance* of state television in transforming itself into an institution able to adjust to market competition and survive.

I consider the *independence* of public television to be the main objective of the transformation; and this despite the absence of one clear model, and important differences between the starting points for each country. By independence of television I mean the freedom of both managers and journalists to run public service television and its programs as they see fit and without government interference, as is the case with private media outlets. This is what I call transition from 'state to public'. There are essential differences between public, state and private television. In the first case the public is the main stakeholder; in the second, the government; and in the third, the private owners. The struggle for legitimacy is therefore essential for public television alone. To justify public funding, public service television cannot afford to be partisan – it must be objective and act in the public interest. While state television complies with the interests of the state (namely the government), public service television serves as society's "trustee" which requires absolute independence from the government.

Like other proponents of the democratic philosophy, I acknowledge therefore that public service television has a 'mission.' But I would not go so far as to say that this mission involves educating citizens to provide them with a cultural and national identity. While other public institutions should pursue this ambitious purpose, television is not an appropriate medium for the promotion of high culture. Rather, the mission of public service television lies in providing the necessary information for a citizen to facilitate his or her enlightened participation in the democratic process, i.e. providing objective, in-depth and prompt information. Considering Western European practice, this mission

seems quite difficult to attain, although the enlightening model of the British Broadcasting Corporation (BBC) goes to show that the goal is not unattainable. Further additions to this basic mission seem only to hinder the freedom of the broadcaster to search and define its own identity. Such freedom is vital for the survival of any institution, the media is no exception. As stated in 1993 by the former Secretary General of the Council of Europe, Catherine Lalumière, “the independence of public broadcasting is vital for a democracy [...]. Some say independence from political power is only a dream. I would say it is a necessity.”

However, I am close to the market philosophy approach to public service television on several important points complementing the model of public service television I propose. It is important to understand that state broadcasting under communism was very different from state broadcasting in democratic societies, even accounting for governmental interference in the latter. State broadcasting journalists enjoyed the communist parties’ trust. Journalism schools were either infiltrated by communist ideology, or merely served as departments within propaganda schools for party apparatchiks. Employees had tenure regardless of performance. State television under communism was comparable to any other part of the public administration providing a public service and performing an administrative function. It is then not surprising that these organizations are still over-staffed with employees who manifest the kind of self-preserving behavior characteristic of bureaucracies in oversized states. Turning from direct state funding to license fees as main income revenue was not welcomed by these institutions, since license fees are a less reliable source of revenue. As late as 1999, a *Hungarian Television* (MTV) executive argued that the only solution to resolve the station’s financial crisis would be the return to complete state funding.

The reform of public television organizations should therefore be viewed within the context of general administrative reform in ECE countries. Its objective should be to become a consumer-oriented service provider and improve its performance in terms of audience ratings, financial revenues and cost-benefit evaluation. ECE institutions have little choice but to step into contemporary Western approaches rather than chart a new course, given the high risks of experimentation in a poor economic environment.

Furthermore, as candidates for European Union accession, the ‘capitalist way’ is the only institutional logic for ECE countries to follow. This, in turn, requires that institutions develop competitive management, satisfy consumers and become less dependent on state resources. Early public administration models addressing market competition (i.e. Doel 1979) seemed to imply that

the emergence of private channels should spark competitive practices among public service channels. In reality, this is not necessarily the case. Both the old-fashioned socialists (i.e. the communist parties' successors) and liberals defending fair competition claim that public service television should not be endangered by competition and should be allowed to pursue its old program policies regardless of audience ratings. They do not explain, however, how public service television can survive as its audience narrows, its legitimacy as a license fee collector is put into question, and its role is reduced to one comparable to the *Public Broadcasting System* in the United States. Good television must be competitive television. The main performance indicator is a quantitative indicator – market share.

A second, more qualitative, indicator is '*identity*'. The more a channel is identified with specific, good quality programs that cannot be found elsewhere, the more it is considered to provide 'good television'. In this case, the opinion of professional elites, journalists and critics, matters more than the public's opinion in the evaluation of identity and performance, although the elite's and the public's opinion often overlap. Both public ratings and many European journalists have indicated that *Euronews* improved more under the management of ITN than when it was managed as a pure public venture. The issue of independence has a strong effect on performance. There must be a clear separation between areas controlled by the broadcaster (internal organization, human resources and program policy) and areas controlled by the state.

3. The Western European experience

Many of the problems encountered by public service television in the region are identical to problems that were experienced by Western countries in the recent past. Deregulation is seen to be the root of those problems, imposed either by technological developments or by European directives liberalizing the market. Yet deregulation may have only revealed the extent to which public television fits uneasily in the new global era where state monopolies have vanished and competition knows no borders.

Achille Yves has described these problems as an 'identity crisis', a 'financial crisis' and an 'organizational crisis':

"Identity crisis: what purpose does a public broadcaster serve today and how can [a public broadcaster] be justified in a competition environment? Financial crisis: on what basis is the financing of a television

channel secured? Budget grants become quite hard to retain in states that display tight budget policies and, in general, take an increasingly liberal stand. [...] All [a public broadcaster] can do is increase advertising and sponsoring revenues, but this implies less ambitious programming, closer to that of commercial television. Organizational crisis: public sector organizations grew in relative abundance when the issue of cost was not as imperative as it is currently. Therefore, public service structures are not able to meet present financial and programming challenges. Heavy organizational structures and overly powerful unions close to corporatism hinder the motivation and creativity of the staff” (Achille 1994).

The crisis of European public service television is primarily a conceptual one. Initially conceived as state monopolies in an era when television was seen as a public good and bound to provide a range of goods to the public (supplying education, information and entertainment). Such channels were what the French call *generalistes*, that is, channels providing mixed programming. Their initial mission was to cover everything from entertainment to news. Such a variety of programming, from opera to a popular drama, from children’s show to news, can work only if a channel is alone in the market – it is common knowledge that this type of scheduling would be a disaster in a competitive environment. Moreover, the majority of these programs were produced in-house due to the institutions’ monopoly of the market. This means that public television’s monopoly was broken while it was still burdened with departments of drama, children’s programming, fiction, music, game shows etc. In continental Europe, labor legislation dictated that most public television workers secure permanent rather than temporary contracts, so the organization was bound to continue producing a large variety of programs in order to support its employees throughout their lifetimes. In some of these countries, powerful trade unions have also had a say in the management of public service television.

Domestic legislation and the adaptability of management created different situations in different countries and various adjustment responses to the same crisis. The crisis was certainly precipitated both by the deregulation and re-regulation of the broadcast industry, prompted by technological and economic change, and by the political will to create new opportunities amid such change (Hoffman-Riem 1992). States gave up their monopolies as owners of the only broadcaster. (In some cases, as in Great Britain, this was accomplished long ago and a private monopoly was created to balance the public one.) However, they did not give up their roles as overseers of the broadcasting world. As the concept

of private television was increasingly accepted, the state preserved the power to grant licenses in exchange for private broadcaster commitments (what the French call *cabiers de charge*).

While some states have strict requirements and force private broadcasters to commit to some level of public interest broadcasting, others do not. Even in states with strict public interest requirements, it became obvious in time that making private companies reach high thresholds of quality was a practical impossibility, as they could always claim that practical difficulties endangered their survival. Therefore, even in over-regulated France, regulations were altered after private broadcasters failed to abide by them. European broadcasting legislation over the past two decades is still struggling to catch up with reality in this area. Hoffman-Riem was right to stress that “in the event of a gap between norm and reality they [the supervisory authorities] often felt compelled to adjust the norm to match reality” (1992).

The centerpiece of European legislation concerning broadcasting is the 89/552/ECC, or the *Television without Frontiers* directive, as amended in 1997. However, the broadcasting policy of the European Union was partly shaped by a European Supreme Court of Justice decision, which defined broadcasting as a ‘service’, as well as the 1986 treaty requiring member states to suppress all barriers preventing the free circulation of services, goods, persons and capital from December 31, 1992. The *Television without Frontiers* directive only pursued this logic further, requiring broadcasters to apply for licenses in only one member state to enable them to broadcast in other member states. The directive, however, required that the majority of broadcasts should be European produced. The MEDIA program was subsequently created to increase the competitiveness of the European audio-visual industry.

Once broadcasting became a matter of common European policy, it could no longer be regulated by member states attempting to protect their national public service broadcaster. This led to a market explosion and public broadcasters were soon faced with an extremely difficult situation. The governments and Parliaments of national states did little to help. They occasionally covered the broadcasters’ deficits (as in Italy and France), but were reluctant to grant them the autonomy needed in order to survive competition and prevent further deficits. A media committee at the Italian Parliament once took 16 months to approve the quantum of advertising allowed on public channels. Except in the Netherlands, some degree of political dependence by the public broadcaster is seen as acceptable in continental Europe. In Italy, for example, influence over the three channels of the Italian RAI used to be ‘shared’ among the three strongest political parties. Spanish TVE is controlled by whoever is in govern-

ment (Escobar 1997). The tenure of public television management in Italy, Spain and Greece is a little over one year. Even in France and Germany, public broadcasting supervisory boards are politicized along left/right cleavages and according to informal political arrangements, with ‘sharing’ of the main board positions usual. German law provides for the highest degree of managerial autonomy in continental Europe, with important powers granted to the general manager. The complicated power-sharing arrangements in federal Germany between the central government and the regions also ease political intervention in the affairs of public broadcasters to some extent.

The interplay of political influences is part of the institutional culture surrounding public service television in Europe. While it is not always codified in legal texts, as in Spain, the removal of top-level management when the government is changed is the norm rather than the exception. This institutional culture explains why politically motivated management changes do not even get reported as incidents (except when connected to a media scandal). Therefore, countries such as Italy, Greece and Spain are listed in Freedom House ratings as having ‘free’ public television even though this freedom is all but relative for public service broadcasters. Clearly, freedom has a different meaning for European journalists working in public service broadcasting compared to those working in the private media or the American public service media. From this perspective, the situation of the BBC in Europe is the exception rather than the rule. Although many European public service television channels, including German public television, were initially modeled on the BBC, it is quite clear that this model cannot be reproduced in Europe. Of course, the situation of public service media in Europe is largely dependent on a country’s specific elite political culture. In countries like Great Britain and the Netherlands, the governments show more respect for the public service media’s position as an independent actor. In countries where pluralism means dividing the pie between different political elite groups, *lotizzazione*² is the rule of the game. This is the case in Italy and to some extent in Greece and Spain (see Figure 1). In such countries, in all likelihood, public television will be under political influence. In countries, where corporatism or informal power-sharing arrangements reign in politics, politics will most likely also influence public television.

2. The term has been coined at RAI to suggest the division of channels and positions in public service television between the political parties. The term matches the ‘partitocrazia’ concept introduced by Giovanni Sartori in the theory of democracy to designate this particular type of pluralism (Sartori, 1994).

Table 1. Public service television channel freedom, identity and performance in selected European Union countries, 1999

P TV	Editorial freedom	Managerial freedom	Identity	Performance by market share (%)
France (FR2, FR3)	Some ideological bias on the left-right cleavage (FH rating: 12-free)	**	Generalist; local	45
		**	Generalist	48.9
Italy	Plurality of views rather than objectivity (FH rating: 15-free)		Entertainment	
Great Britain	Balanced, fair (FH rating: 8-free)	*	News; generalist	40
Spain	Some influence by the government (FH rating: 13-free)	***	Generalist; entertainment	51.9
Greece	Government influence (FH rating 15-free)	***	Generalist	8.2
Germany	Some ideological bias on the left-right cleavage (FH rating: 6-free)	**	Generalist	41

Legend: Freedom House (FH) scores from 0 maximum freedom to 45 minimum. Managerial freedom scores from * maximum freedom to **** severely restricted freedom, ratings by the author.

Germany, Great Britain and, to some extent, France managed to maintain their respective public service television identities despite important program adjustments. The Italian RAI and Spanish TVE adopted more commercial strategies and set out to battle private competitors on their own grounds. The Greek ERT could not decide which strategy to adopt and remained lingering between the two. The changes did little to address major problems and even increased public service television's dependency on the state and/or government, leaving it vulnerable when caught in the crossfire between demand for improved performance and demand that public television promote 'culture' and remain immune from competition. It is important to note that the autonomy of public service media is an unfinished business in Western Europe. The following resolution of the European Broadcasting Union (EBU) does not reflect current

reality, but rather the necessary conditions for public service broadcasters to be ‘trustees of the nation’ (to use the famous expression of the 1925 British Crawford Committee):

“To perform this role, public broadcasters must:

- be politically and financially independent;
- create legal mechanisms allowing for dynamic management in a context of growing and aggressive competition;
- adapt their strategies to the rapid evolution of their environment, streamline their operations, reduce operating costs, and increase creative productivity;
- draw on reliable, diversified, adequate and evolutionary funding, both public and commercial, irrespective of the form [of the public broadcaster.]”

Given the current state of affairs in Western European public broadcasting, European supranational organizations seem to lack both the political will for reform and a coherent model of public service media to export to ECE. There is no successful European model of public service media reform available as there is a model of judicial or administrative reform, for example. This left the ECE public service media in a conceptual vacuum, without necessary allies for reform when they were most needed. The approach of both the European Commission and the Council of Europe was to push states to allow private television as an alternative to public television without attempting to assist in the difficult task of freeing the public service media.

Journalists and executives who set out to reform public service broadcasting in ECE therefore resorted to their own models. In most cases such models were extremely liberal ones, as these journalists and executives had either been trained abroad or had worked for international public companies such as the BBC. This, of course, provoked counter-reactions by groups endangered by the reforms, who labeled the reformers as ‘aliens’ and even traitors to the national culture. For example, in 1997 I had to defend a requirement that I had introduced for the vacant position of news editor-in-chief of Romanian public television in the Romanian Parliament – namely that he or she should have training or education from a prestigious international media company – a condition all the more necessary given that Romania did not have any form of education for television journalists or managers under Communism. Nevertheless, this condition was very unpopular with politicians.

4. Independence

Despite the post-1989 explosion of new media described above, monopolies and the absence of adequate systems of frequency distribution meant that state television remained a powerful media player in ECE countries after the fall of communism. In countries such as Romania, state television could make a president in 1989-90, and those who rushed to TVR rather than other strategic locations after Ceausescu's downfall became members of the first democratic government. A coup inside *Bulgarian Television* (BTV) in 1991 led to the decision to provide balanced coverage of the political crisis, which in turn led to the resignation of the prime minister. It is not surprising, therefore, that the first years of transition were marked by struggles over the control of state television, while issues of reform were secondary or nonexistent. Both the formal institutional and the day-to-day approach to public service media were shaped by the political and cultural environments in each post-communist country rather than by abstract, imported ideas of public service broadcasting or freedom of the media. O'Neill grasped the point when he wrote that "the media in Eastern Europe are a clear example of how past institutional configurations influenced the process of media transition, shaping the contours of the present struggle in this area" (1998).

In the Visegrád countries, where anti-communists came to power in the first free elections, 'democratization' of television became an important public issue. Some attempts were made for a lustration of the public service media, but they did not go far (Sparks 1994; Molnár 1999). Whether they were anti-communist or post-communist, politicians showed little or no interest in securing the independence of state television. By 1999, all ECE countries surveyed had passed their own broadcasting legislation, with some of this legislation already revised or under revision (see Figure 2).

Table 2. Broadcasting and public service media laws in ECE

Country	Date when passed	Title
Czech Republic	1991 (amended 1992, modified in 2001)	Federal Law on the Operation of Radio and Television Broadcasts
Poland	1992	Broadcasting Act Law for Radio and Television
Hungary	1995 (took effect in 1996)	
Romania	1992 1994, amended 1998	Audio-visual Act Law for the Organization of Public Radio and Television
Bulgaria	1998	Broadcasting Act

Although the BBC represented the public television model aspired to by most television executives whom I interviewed, the legal framework enacted in post-communist countries could not be further removed from that of the BBC. New legislation in ECE failed to replace ‘state’ or ‘government’ control of public service television with ‘public’ control, since ‘public’ was interpreted almost exclusively in terms of political representation. New broadcasting laws established a firm *partitocrazia* in ECE with the party holding a parliamentary majority in control of public service television, even if the mandates of the television boards and those of the parliament occasionally overlapped.

Despite the firmly established grip of majority political parties over public service television, practice shows a continuous political struggle to subordinate and control public service channels. Public service media bills were therefore merely catching up with reality, and delays in settling them were clearly based on political motivations. Sparks is right to note that “the laws were implemented not against the blank background of a new epoch but in a set of circumstances where new habits and new patterns were already established” (1998). The only important reform implemented as a result of the new broadcasting legislation was the establishment of private stations. Those with illusions that the adoption of public service television laws would end the fight for the control of television were disappointed (Molnár 1999). Even the scheduling of non-political shows fast became the object of political disputes.

4.1. Appointing management

The most important issue regarding the independence of public service television concerns the appointment (and dismissal) of managers and the limits of their authority. Management scandals have plagued all of the countries surveyed, with the sacking of either the general manager or the entire supervisory management boards a common practice. Before the new broadcasting laws were passed, the appointment of public television management was the job of governments (as in Hungary or Bulgaria), or presidents (as in Poland). According to the new laws, such appointments are the responsibility of parliaments or parliamentary committees. In practice this change matters little, since parliamentary majorities reflect the same political interests. Governments and politicians are united in protecting their class from media criticism.

As analysts pointed out (Kleinwachter 1998; Goban-Glasz in O’Neill 1998), political groups both on the right and the left of the political spectrum share a common conception of the media as an instrument of political power, and public service television in particular as *the* instrument of political power. Politicians

tend to lack concern either for the public paying the public television license fees or for the public television companies themselves. Most analysts consider this enduring situation to be a consequence of communism. However, it is more likely the result of a rational strategy by political actors in times of *anomie*, when they are aware that no real accountability mechanisms exist. Similar situations in Spain and Greece demonstrate that the use of public service media as a political instrument outlasts 'transition'. The Italian model of *lotizzazione* (dividing the influence among political parties) is the most influential, with ECE politicians often assuming that although the media will occasionally provide opposing viewpoints, decisions about which viewpoints to air should not be left to the journalists' discretion alone.

Arguments denying journalistic independence are bolstered by the fact that relatively untrained journalists in these countries often abuse their right to express their opinions and engage in false reporting, slander, etc. Nevertheless, good journalism is impossible without some level of journalistic discretion about what and how to report news. Journalism is a skill, and journalists are not only hosts or intermediaries of opinions, but professionals who must acquire the skills needed to successfully exercise their profession.

Truth is not reached via a balance of political party influence on public service media. It is often the case that no political party has a clue as to what the truth is and journalists must express the views of civil society to reach a conclusion based on facts. During my work as an executive in public service television, politicians provided scores of opinions including the recommendation that hosts must include anti-Semite representatives in talks on anti-Semitism, or that newscasts should present all party briefings and leave the public to decide what is important. Obviously, the ability to provide professional programming requires that journalists be trusted to distinguish between a lackluster official briefing and an event with some news value.

Such common disagreements about the role of journalism in a democratic society, and specifically the appointment of media boards, played out differently from country to country. In Hungary, the first appointed board served for only a part of its term and was changed when the composition of parliament changed. The public Hungarian MTV had an incomplete board from early 1999 where only government representatives were present, a situation that lasted until Viktor Orban lost power in 2002. In Bulgaria, the last country to adopt a media law, the socialist opposition refused to participate in the vote for the board, saying that the law would only legitimize the government's control over public service television. The Romanian Parliament was unable to appoint a board from 1994 until 1998. In the Czech Republic, the entire newly appointed

broadcasting board was sacked in 1994. In Poland, Lech Walesa fired the president of the board in 1994. In 1996, the president of *Polish Television* (PTV) and his entire management board were dismissed.

On paper, the Polish and Bulgarian systems look better, as they seem to increase the distance between the politically appointed boards (broadcasting boards) and the management of public service television. In practice, however, the situation could not be more different. Despite the fact that no legal provision stipulates such practice, in Poland the broadcasting board appointed an equally politicized television board that then divided the five positions of the management board among the parties. In the fall of 1999 when I visited the Polish public PTV, only one member of the management board had previous media management experience. The remaining members of the board were neither managers nor journalists. Nevertheless, they were responsible for taking decisions on micro-management issues including the media schedule. As one executive from the Hungarian MTV pointed out in the spring of 1999, competition between political party cronies is present within program scheduling and the commissioning of outside producers.

The Romanian Parliament goes so far as to directly appoint the president of public service television. In October 1998, the board favored one candidate, the parliamentary committee favored another, and a third candidate was favored by the majority of parliament members, who managed to impose their choice. The majority of board members then complained that they were forced to work and take responsibility for their work with a candidate whose program ran counter amongst to their vision of public service television. Eventually, the 1998 law revision legalized conflict of interest situations, after which board members were able, amongst other issues, to decide over the budget of their own department. In the Czech Republic, frequent interventionism led to considerable public mobilization against the political appointments of TV executives, and the Parliament was compelled to change the law and allow representatives of civil society to sit in the Board alongside political ones.

The Hungarian system tried to emulate the German model; that is, it tried to dilute political representation by granting civil society more influence from the onset. However, there is confusion regarding the role of the management board versus that of the supervisory board, both of which are overseen by the same board of trustees. Hungarian law proclaims in section 55, article 1 that “the boards of trustees are the management bodies of the public foundations’.” As the situations in both Hungary and Bulgaria show, a supervisory board cannot and should not act as a management board. Supervisory boards perform managerial tasks with difficulty (trustees are not managers), and risk having vacant positions

due to political disagreements. In Hungary, the media law grants as many board seats for the parliamentary opposition as it does to government parties. However, the opposition in the period 1998–2002 included both left wing and right wing parties that failed to agree upon the makeup of the board. This led to a deadlock situation. In Bulgaria, the former communists not only refused to participate in the vote, but also complained about political hiring and firing at BTV, with popular anchors replaced for political reasons, and denounced the ‘cynical philosophy’ of the media law. Such deadlocks can be catastrophic for public television companies such as the Hungarian MTV that are teetering on the edge of bankruptcy and left without anybody in charge.

Table 3. Appointing management in East Central European public service media

	Polish PTV	Hungarian MTV	Czech CT	Romanian TVR	Bulgarian BTV
Who appoints the public service television Board	Broadcasting Board	Parliament and civil society	Parliament	Parliament (9 seats), government (1 seat) President (1), employees (2)	Broadcasting Board
Who appoints Chair	Broadcasting Board	Parliament	Television Board	Parliament	Broadcasting Board
Who Appoints General Manager	Same person chairs the Board and is GM	Television Board	Television Board	Parliament	Broadcasting Board
Who can dismiss Board/GM	Broadcasting Board	Television Board Parliament	Parliament/ Television	Parliament Board	Broadcasting Board
Influence in the Board	Political majority	Political majority	Parliament in general	Political majority and Parliament in general	Parliament and President

Although it is obvious that provisional management is ineffective, parliaments are not interested in the managerial reform of public media institutions. The emphasis during transition was on programs and personalities rather than structures and mechanisms, demonstrating the lack of a broad understanding of the aims of institutional reform. The lack of understanding about institutional mechanisms is such that the mass media committee of the Romanian Parliament, when conferring a mandate to the new public television general director in January 1997, demanded a written strategy that would radically change programming without touching institutional structures (for more on the appointment mechanisms see Figure 3).

Table 4. Television Supervisory Board attributions and powers

Operation	PTV	MTV	CT	TVR	BTV
License fee	no	no	no	no	no
Budget	yes	yes	yes	yes	yes
Schedule	yes	no	no	yes	no
Management appointment	yes	yes	yes	yes	yes

Tables 3 and 4 demonstrate that, apart from the Romanian Board of Trustees, ECE public television boards are supervisory boards accountable to parliamentary committees in charge of public broadcasting. This chain of supervisory organs demonstrates politicians' obsession with the control of public broadcasting when the laws were passed. Every Parliament has seemed inclined to exercise the maximum supervisory rights possible over public service media during the first decade of transformation. In the Czech Republic, CT's News Director Jan Kytka was forced to resign because one of his employees, a talk-show host, spoke with a parliamentary committee crony and denounced some of the government reforms. After Kytka's resignation, the same crony was appointed in his place. In Poland, the parliamentary committee, more so than the broadcasting council, is pushing the public television general manager to proceed with the reform of PTV. In Hungary, the parliament appoints a remunerated, three-member team acting as a permanent audit commission entrusted to supervise the supervisory board.

4.2. Legal definition

Consensus about the legal definition of public service television is vital for its independence and its survival. ECE public service television is based on the continental European model and carries advertising. In the case of Hungary and Poland, public service television is now legally a 'corporation.' In Hungary, the corporation's unique shareholder is the Hungarian Television Public Foundation, while in Poland it is the state represented by the Minister of Finance. According to Hungarian law, assets from the state public television budget were transferred to a new foundation rather than a corporation. Bulgarian law laconically states that BTV is a 'legal entity', while Romanian law defines it merely as a 'public service'.

In practice these definitions help little, since these companies have to act both as public and commercial companies, pay taxes and cut jobs amid a complicated mix of legislation applying to public and commercial entities and activities. The legal confusion only increases costs. The Romanian TVR often faced this prob-

lem. Although TVR is neither a commercial corporation, nor a *regie autonome* according to the French model and is not entitled to compensation from the state budget like other state organizations, each time the government announced an indexation of wages in the state sector and huge severance payoffs, unions would demand unreasonable pay increases. Faced with the huge costs of a state company along with the substantial tax burden of a private company, Romanian public television faced the worst of both sectors during transition.

The legal status of public service television is often subject to ideological debates with practical consequences. While ‘public’ is a relatively new concept, ‘national’ is often understood to mean the subordination of the truth to the national interest represented by the government or some official office-holder. The 1994 Romanian media law begins with the statement that radio and television companies would from then onwards be “editorially independent, autonomous public services of national interest.” However, since the companies were property of the state and the government decided the value of the license fee, members of parliament viewed public media outlets as ‘national’ rather than ‘public’. The outlook was bleak for those seeking to transform public media into truly ‘public’ companies. The 1998 Bulgarian law refers to public service broadcasting as ‘national’ throughout the text. Even in the otherwise liberal Polish law, the wording is dangerously ambiguous: Article 22/2 calls for the broadcaster to “in a direct manner enable state organs to present and explain the policy of the State.” Oppositely, according to the Hungarian law, public media employees even cease to be ‘public servants’, a measure attempting to mark the total separation between government and public service television.

4.3. *Funding*

The sometimes ambiguous difference between ‘national’ (or ‘state’) and ‘public’ becomes clearer when it comes to funding. Public service television companies in ECE were once funded both by license fees and by state subsidies. After the passage of the new media laws, state subsidies practically disappeared, although they continue to exist as a legal possibility in Hungary and Poland. In Bulgaria, license fees were only established as a possible revenue source at the end of the 1990s. Government funds for public media are more of a burden than a relief. Governments may pay late and/or present special conditions for receiving the money.

The history of the 1998 amendments to the Romanian media law is telling. Despite the fact that the Romanian Parliament took one and a half years to correct the 1994 law, the corrections were minor. All suggestions by experts from

the BBC and Freedom House were overruled. TVR's lobby was successful only on a few minor points, although these points were vital for the short-term financial recovery of the channel. Members of parliament approved the articles that helped TVR with its urgent financial needs but refused to grant it any autonomy that would have helped to prevent the channel from slipping into similar financial crises in the future. Later, in 2002, the Parliament dealt TVR a deadly blow by accepting the private television lobby's proposal that advertisements on public television could be broadcast only between two programs without even suggesting how resulting financial losses could be compensated.

The step from direct subsidies to license fees as a major revenue source is essential in freeing public service television from the clutches of the state, but it should be seen as a first step only. The license fee is a flat tax that is insufficient to fund public service media even in Western Europe, where practically all citizens are owners of audio-visual equipment and wealthy enough to pay around USD 10 monthly for the service (the exact value varies from country to country). In ECE, license fees are small (in Romania they rose to USD 1 per month after being increased three times in one year). Nevertheless, evasion is high and roughly half the budget is dependent on external sources. The value of the license fee in Bulgaria, for example, is equivalent to the price of a newspaper. Public service television channels complain that license fees are not adjusted by governments to account for high regional inflation rates. In March 1999, the value of Romania's currency (in relation to the USD) dropped from ROL 10,000 to 15,000 in one week, thus sharply cutting the value of license fees by a third. In such unstable economic environments, companies cannot survive on state subsidies or taxes/fees. At times when the value of one month's salary may be cut by a third over the course of a week, raising the tax would only encourage more evasion.

Commercial earnings remain the safest source of revenue for public service media in ECE. However, these depend on the company's performance, judged primarily by audience ratings, which in their turn are a function of the freedom that public media managers have to compete with private television channels. Meanwhile, media legislation, government intervention and private media company lobbies are strong enough to hinder the efforts of public service television to compete. For example, despite its financial problems, the Bulgarian BTV was forbidden by the new media law to run advertising during prime time hours until the launch of a nation-wide private competitor. The law was sharply criticized in this regard by Dr. Werner Rumphorst, Director of the Legal Affairs Department of the European Broadcasting Union.³

3. Quoted by Capital/Agency for Investment Information Ltd., December 15, 1998.

4.4. Mission

So far we have seen how ECE public television companies are defined and funded. The next important issue to explore in order to better understand the reform of public media in the region is how the companies' mission is devised and implemented.

All broadcasting laws in the region specify that the production of national programs is an obligation for public service television, although the emphasis on this task and the program production quotas required may vary from country to country. Article 15 of the Polish law is the least restrictive, setting a quota whereby only 30 percent of programs must be nationally produced, compared to 40 percent in Romania and 50 percent in Hungary. In Hungary, the law also demands that 15 percent of total air time be devoted to national films and 70 percent to European productions. The Czech and Slovak federal law, ratified after the dissolution of the federation by both parliaments, sets no quota but specifies that broadcasters are obliged to produce a "significant share of the broadcast programs in such a way that the cultural identities of nations, nationalities and ethnic groups [...] be preserved and that the development of domestic and European audio-visual creation be supported." All states either ratified the European directives or are in the process of doing so. This means that quotas require a certain amount of European productions both for the public and private sectors.

All of the broadcasting laws have some general provisions regarding cultural and national identity, as well as programs destined for national minorities or children. These are, however, general provisions that should not hinder schedulers in their effort to provide a coherent style. More contestable are the provisions in the Polish law regarding an obligation to enforce Christian values (Article 21/6 calls for "respect for the Christian system of values, accepting the grounds of the universal principle of ethics"), and in the Romanian law a ban on "country and nation defamation" (Article 5). Although the existence of minor ambiguities in the laws offers opportunities for abuse and leads to complaints by journalists, problems usually stem from public television channels' practice rather than from the laws themselves. The Bulgarian broadcasting law does however present problems in and of itself. BTV is compelled to provide live broadcasts of the parliamentary plenary sessions and grant public addresses to the President, the Chairman of the National Assembly, the Prime Minister, the Chief Prosecutor, the Chairman of the Constitutional Court, and the Supreme Court.

Hungarian, Romanian and Polish public service television channels have a special obligation to provide programs for their Diaspora populations, which is a heavy burden on their budgets. The Polish and Romanian public service

broadcasters have separate channels dedicated to this task and funded by the budget. In Hungary, a second public service broadcaster, *Duna Televízió* (Danube Television) provides broadcasts for Hungarian minorities living in neighboring countries. The channel has financial problems, as advertising companies are not interested in reaching the Diaspora. Nationalism is a costly business.

4.5. Conclusion

The passage of new broadcasting acts in ECE has contributed less to the development of democracy than was initially expected. Their main merit is that they led to the establishment of private television. This decision will have more of a lasting impact on the democratization of these societies than the adoption of public broadcasting laws. By interpreting democracy or public interest as the division of the public sphere between existing political parties, these societies merely depict the *partitocrazia* described by Italian political scientists – the kind of incomplete pluralism encountered in countries with weak civil societies. New management structures for public service television designed by parliaments in ECE demonstrate an outdated conception of a public sector with unlimited resources. Rather than placing importance on the empowerment of management to make shrewd, rapid decisions to survive in a competitive environment, emphasis is instead placed on government control.

This is a familiar picture for researchers studying public administration reform in ECE countries. The predominant vision of public administration – inherited first from the French-inspired constitutions after World War I and then from the communist regimes – is that the sector is designed to control the population rather than provide effective services. The obsession therefore becomes not what public service television should do, but what it should *not* do. The public is entirely disregarded in favor of the only true stakeholders – political parties – as clearly demonstrated by the December 2000 Czech television crisis. Public service television channels must satisfy various administrative departments, often with antagonistic interests, even if this runs counter to the company and the public's interest. The more the decision regarding the amount of advertising, scheduling and marketing strategy is taken by politicians rather than managers the higher the risk becomes that performance will be crippled, since political rationale and management rationale have little, if anything, in common. The shortcomings of this vision are reflected mainly in the Bulgarian, Romanian, and Hungarian laws. However, the actual situation seems to be similar in all ECE countries, regardless of differences in the legal texts.

Public service television in ECE is only partly run by the managers. An ‘occult manager’⁴ is present in the decision-making process at all times – a mixture of parliament intervention, government action – or lack of it (as regards, for example, the subject of transmitters or license fees) – and trade union behavior. Trade unions continue to garner their strength from communist-era labor legislation that favors permanent contracts and makes any severance very difficult. Because there are typically many different trade unions (numbers between 10–15 are common) and all will fight management to protect narrow interests, negotiations are rendered extremely difficult and leave little room for managers.

5. Performance

The public, intellectual elites, the press, and politicians in ECE show constant concern over the reform of public service broadcasting. Most of these concerns seem contradictory and at times superficial. For instance, although occasional management audits point to under-financing and poor organization rather than exaggerated expenditures as the key problems, public service television is often criticized for squandering public funds.⁵ Misunderstanding about the role of public service television leads to further contradictions, with some accusing public television of losing audiences, while others admonish it for losing its identity by competing for audiences with commercial channels.

My performance assessment is based on hard indicators such as the public service televisions’ market share, their overall financial situation, and softer ones such as program quality. Audience market share is the best indicator of performance, since the financial situation is subject to various intervening factors, such as the size of the country or state subsidies. The model established by the BBC to reform and improve costs and benefits, known as the ‘producer’s choice’, was promoted by the European Broadcasting Union in 1991. The model grants managerial freedom to the producer and encourages competition between external and internal production and personnel within the framework of a continuous cost-benefit analysis. Producer’s choice has been applied in varying degrees throughout Western European public service broadcasters.

4. The concept comes from Italy, as does *lotizzazione*. Pasquarelli, general director of RAI was the first to state publicly that the most important decisions are not even taken by the management of RAI. Management choices are drastically limited by Parliament committees, government and unions’ decisions, thus leaving a very limited space for maneuver.

5. Cf. Coopers & Lybrand Audit Report of TVR, March 1997.

The performance of public service television in ECE is furthermore affected by specific factors that can be described as ‘transition effects’ and ‘development effects’.

5.1. Transition effects

Public service television, as other state enterprises in ECE, was badly affected by market reforms. Inflation diminished the license’s value, and governments proved unable to take timely and adequate measures to counteract this development. Transmission costs, typically still in the hands of another autonomous state company with a monopoly in the sector, increased dramatically due to liberalized prices in Poland, Romania, and Bulgaria.

5.2. Development effects

Despite reforms, it took years for the market economy to become ‘functioning’, as put by the European Commission. Two factors unrelated to television must be considered when analyzing public service television under-performance in ECE countries.

The first factor is the relatively heavy dependence of the advertising market on overall economic performance, which was good in Poland, the Czech Republic and Hungary, but poor in Romania and Bulgaria. A second factor to consider when comparing countries is population differences – a country as large as Poland with over 40 million inhabitants provides the largest market in the region and therefore the largest license fee revenues. Romania is a medium-sized country (22 million inhabitants), while Hungary and the Czech Republic are relatively small (with about 10 million inhabitants each).

Table 5. Context indicators of the audio-visual environment

Context indicators	Poland	Hungary	Czech Republic	Romania	Bulgaria
Advertising expenditure (million USD/1997)	580	190	140	93	17
Number of households (millions)	12,505	3,869	4,185	7,782	2,264
Color television sets (%)	92	85	92	67	81
Cable subscribers (%)	31	41	17	44	28

Television is an entertainment and news medium for all. Poor households will cut other expenses to purchase a color television. Cable is widely used in ECE, even in comparison to some Western European countries and the United States. In a survey of the urban unemployed population in Romania in October 1999, 62 percent of residents were found to own color television sets, mostly acquired after 1989, and over 40 percent were paying for cable access.

Table 6. Performance and independence indicators reunited

Indicators	Freedom of broadcasting (FH)	Freedom of the press (FH)	TVP marketshare (%)
Hungary	13	28	15 (1999)
Romania	21	43	20 (2000)
Czech Republic	12	24	34 (1999)
Bulgaria	14	26	35 (2001)
Poland	19	19	47 (2000)

Legend: Freedom House (FH) scores from 0 maximum freedom to 45 minimum. Managerial freedom scores from * maximum freedom to **** severely restricted freedom, ratings by the author.

The market share indicators in Table 6 clearly show that public service television in ECE is in serious trouble. The public service lost its audience market share in only a few years, in direct relation with the rise of commercial television. Advertising revenues have shrunk accordingly, leaving public service broadcasters at the mercy of license fees and therefore, once again, at the mercy of governments.

Answers vary as to whether the situation as it is now is sustainable. Politicians are obviously content with the *status quo* and appoint their cronies or “yes-men” to various supervising boards. One broadcasting board member interviewed explained the need for commercial television as well as public service television to provide ‘high culture’. What was his previous position and what did he mean by ‘high culture’? He had been the president’s chief-of-staff and by ‘high culture’ he meant opera. When asked to indicate a favorite opera composer the board member quoted Beethoven.

In general, public service television channels in ECE are highly unstable. Managers cannot cope with the tremendous challenges they face, and risk having their position on the line when they run counter to political interests. Even relatively successful moderate reformers face chronic threats from parliaments. Private stations’ lobbies, which have become more and more involved in elec-

toral campaign funding, are a major contributor to this threat. Public service broadcasters need and want a change in legislation to exit this vicious circle. But the unanimous opinion, from the almost bankrupt MTV to the relatively well-off PTV, is that politicians are not going to revise media laws to prevent the political subordination of public service broadcasters any time soon.

6. What is to be done

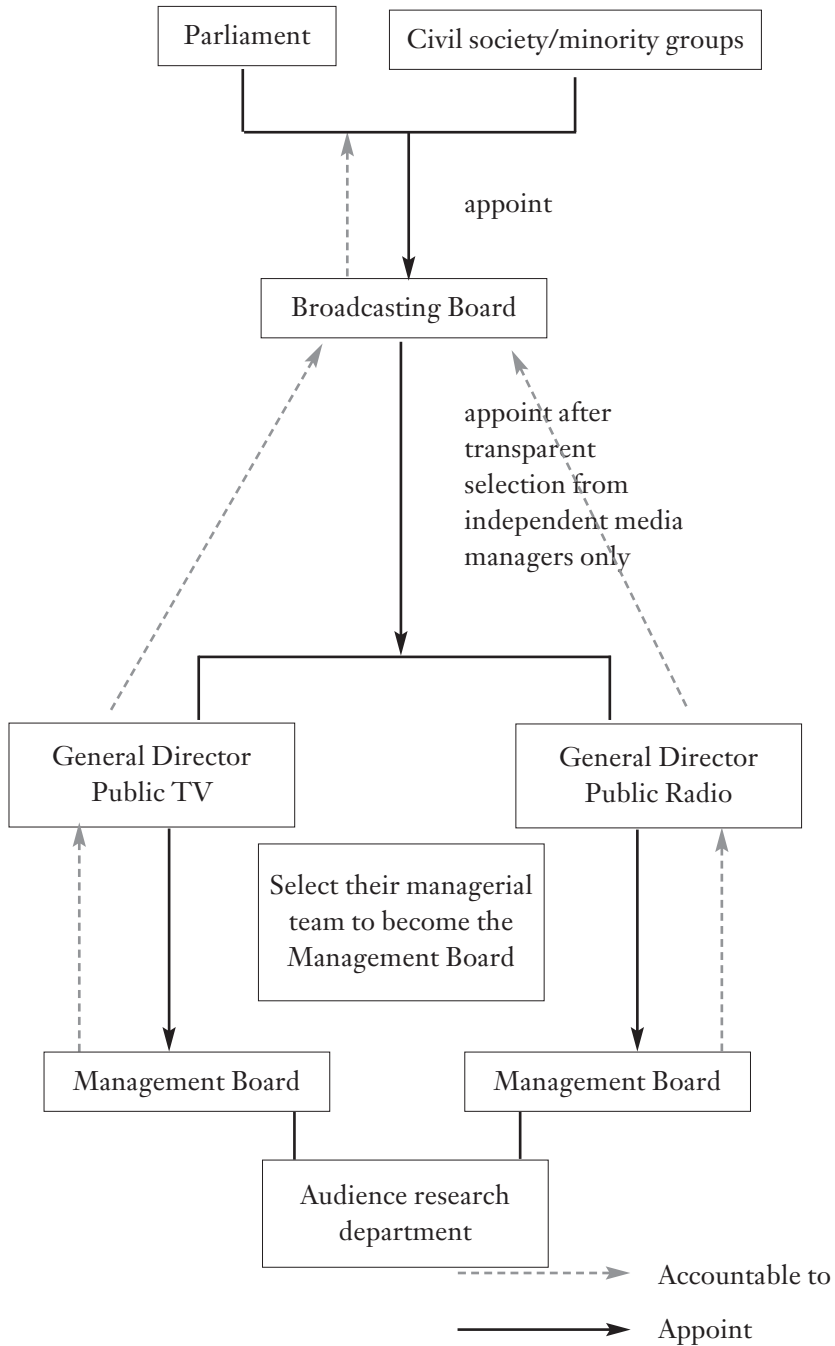
As its market share decreases, politicians may lose interest in public television, and have to increasingly turn their attention towards private media. This may be good news: the less politicians are interested in public broadcasting, the more public television will have a chance to reform itself and survive. When the audience returns back to public broadcasting, however, political infighting will resume. Such periods do not last for long. Reformers need worked out policies to act upon fast when windows of opportunity present themselves, such as in the Czech television in 2000-2001 when the public backed reform. I suggest a 'salvage package' resulting from the lessons learned in the last decade which would include three major points.

6.1. Revising the legislation

A better alternative to the present formula would be to give up television boards as they are today in favour of broadcasting boards regulating all the actors in the field, not just the public media. Those broadcasting boards would appoint the general managers of the public service broadcaster (on the German model), grant frequencies, enforce rules and mediate conflicts. As the parliament would appoint most broadcasting board members (civil society, represented by professional associations and media watchdog NGOs would appoint the rest), the second accountability mechanism, making parliamentary committees supervisory bodies, should also be abandoned. The broadcasting board would allow both public service television and radio to be run by the general managers with the help of a management team which they would select (see Figure 1). This is roughly the way the BBC works. The management team should be restricted to the financial director, the programs director, the marketing director and the news director.

Political appointments and the participation of channel employers or trade union leaders in the broadcasting board should be forbidden. Board members appointed by parties should not be party members, although they may legitimately hold political sympathies. Legal revisions promoting professional man-

Figure 1.



agement are certain to come, as three countries surveyed (Hungary, the Czech Republic and Poland) have been invited to join the European Union in 2004, with Romania and Bulgaria set to join in 2007. This means tighter deficit budgets and less freedom for governments to cover losses in the state sector. Eventually, managers will have to be empowered.

6.2. Reinventing management

Revising legislation takes time and is not sufficient to ensure positive change. In many cases, managers seeking change will need to begin radical reforms before legal revisions are on the agenda. Management reforms should aim to create institutions that operate on a cost effective basis, much like modern corporations. This implies an awareness of actual costs – an assessment that can be difficult for enterprises that are accustomed to in-house production, and where the widespread assumption is that everything that is not ordered from outside the institution is free. An effective tool to decide how to revise the programming schedule is to divide a program's cost by its audience share. Expensive shows with no audience should be cut regardless of the producer. Scheduling should be based on audience research. The public is the 'number one client', and what the public wants is important on all accounts. This does not mean giving up specialized shows, where audience research methods other than surveys can be used (such as focus groups). The targeted group must however be constantly surveyed for feedback. Shows are there for the public to enjoy, and not as a means for the producers to get paid and support their network of clients invited regardless of viewers' opinions of them.

The channel's size must be adjusted to match market needs. Public stations cannot continue to produce everything in-house. This practice forces channels to pay continuously for low-quality services used only occasionally. Advertising sales departments are a typical and important example here. All countries surveyed have an advertising market share that is inferior to the audience market share. One reason is that the typical audience of non-commercial channels matters less to advertisers, as they tend to be less well off and to reside in rural areas. A second, more important reason for inadequate advertising on public television is that state-owned advertising departments are simply not efficient. They cannot pay sales commissions nor can they offer decent salaries that would help prevent their salespeople from falling prey to corruption. The only solution is to contract advertising sales outside the enterprise just like other services that can be delivered better and cheaper by the competitive market. This, however, means layoffs and severance packages. Nevertheless, severance on the basis of managerial logic works and is far preferable to indiscriminate severance packages.

Indiscriminate severance packages preserve managerial problems and do not save money in the long run, since wages only represent a small part of the public television budget in these countries compared to Western countries. (This is so despite the fact that public television wages in ECE tend to be at least double the average wage and more than double the wages in the public sector.)

Unfortunately, successful reforms cannot be achieved without some support from trade unions that fear restructuring and the imposition of managerial logic even more than they do giving up jobs. Promoting competence and discouraging micromanagement can also prevent the creation of new jobs. The Romanian TVR retained more than one hundred drivers in 1998 and the trade unions banned anyone else from driving in order to ensure that those drivers would keep their jobs.

In-house foreign affairs departments are the most striking communist-era feature of some public television channels in the region. (These departments once enjoyed the monopoly of contacts with the West both as a protocol and a surveillance function.) Public service television in ECE still has to fight its communist inheritance. Television is about teamwork, while communist ideology separated people in categories, not teams. The result is that technical assistants, cameramen, journalists and editors often belong to different departments and to trade unions that are unable to communicate, not to mention properly coordinate. This has also led to an organizational structure based around working in shifts – the Romanian TVR had to negotiate with the trade unions to allow cameramen to stay extra hours to ensure their presence when their piece was ready for editing. Team spirit must be introduced in order to improve performance.

6.3. Forging new identities

The recommendations mentioned thus far are simple prescriptions of the type usually given by management consultants. The task of forging new identities for public service television is more challenging. Massive audience loss and the effort to catch up has left public service television with a weak public image.

When asked to answer questions about the future, focus groups in Bucharest in the fall of 1999 compared public service television to an ageing lady using too much make-up in the effort to attract rich, young bachelors. When using car metaphors, public service television was compared to a Renault 4 car series from the 1960s, while its main private competitor was compared to the latest models of the luxury Mercedes automobiles. When public service television was alone in the market, identity was not perceived to be a problem. In the current market, however, identity has become an obvious problem. The solution lies in shifting the focus from a comparison between commercial and public service

television to an effort to shape public service channel identity via special logos, sets, costumes and profiles of the daily and weekly programs (just as commercial channels have distinct identities).

Western public service television has succeeded in this regard, as it is easy to recognize the distinct character of the BBC, Euronews, RAI or ARD. Public service television in ECE continues to lack such style due to the inadequacy of its supporting structures. Creative departments continue to work with tenured designers hired in the 1970s and real research departments still do not exist.

7. Closing remarks

Can public service television in ECE survive the post-communist transition period? The answer depends on its ability to compete in the new media market. I believe public service television can effectively compete in the market while retaining a specific role and identity, distinct from its private competitors. In today's market, it is impossible to disregard competition and provide good television. As a public service channel, despite its vast resources the European all-news channel Euronews had poor news programs. Its only shareholders, European member states, heavily protected the channel. As soon as ITN took up its management and 49 percent of its shares, competition with CNN became a target, and Euronews began providing live coverage and improving its programs. Good television is competitive television, and European partner states entrusting the management of Euronews to ITN implicitly admitted that today's public service companies must be run along the same lines as private companies are.

One could argue that such a model is not possible, pointing to the fact that the leading public service television, the BBC, carries no advertising and has therefore no connection to the market. This is simply wrong. The BBC has experience dealing with a competitive market since the 1950s, due to the early existence of private television in Britain (since 1955). In fact, the BBC was the first public service television to discover that ratings are important not in terms of advertising revenues, but in terms of influence, legitimacy and finally as the primary source of consumer feedback. Critiques of the audience ratings system as undermining democracy are misplaced. Ratings and polls coincide with Churchill's definition of democracy – they are the 'least bad' indicators possible. After so much proof of self-interested leadership, if the public cannot choose, then who should? The government? The elites? The journalists?

Because accountability mechanisms are generally difficult to design, audience ratings, polls, and qualitative research remain essential. The main intellectual

delusion with television is the assumption that it is so powerful a communication medium that it must use this power to be anything but television, i.e. a medium for popular culture, a school, university, library, church etc. We should allow schools, universities, churches, etc. to pursue their roles without competition from television. Television that attempts to compete with them in this day and age will cease to be television and lose market share to other channels without ever being able to match the depth of these social institutions or succeed in conveying their public message. Videotapes, CD-ROMs and the Internet are accessible to schools and universities that can utilize multiple media to reach pupils and students according to their interests and talents. Terrestrial television, by definition, must target the largest population possible.

Under such circumstances one may question whether public service television is worth preserving as an institution. Looking at ECE realities rather than Western models, public service television still appears necessary. Democratization of the press does not always mean that the press will promote democracy in countries that are not yet democratic. Instead it often allows free hate speech and vested interests to distort the public debate. It is important to identify the new owners of private television and their interests before relying on them as the only trustees of the broadcast message. Local political culture often means that journalists working in the private sector are unprotected from the political interests of their publishers. There is no consensus among publishers that independent journalism is an indispensable norm of quality for their products. Instead, the general understanding is that the private media should be biased in favor of its sponsors, political parties or interest groups, just as the public service media has a pro-government bias.

If politicians and inefficient management destroy ECE public service television entirely, or reduce it to the state of a chronically weak actor of little influence, the public will be the loser. The emerging winners will be the handful of businessmen who own commercial television channels and nourish important political ambitions (such as managers of private channels in the Czech Republic, Slovakia and Romania). Whether such negative developments can be avoided depends on civil society in each ECE country. Czech intellectuals showed their discontent with *NOVA Television* and political interventionism in Czech TV. Civil society groups in other countries have lacked a coherent position toward the public service media, often simply accusing them of siding with governments without discussing and proposing new institutional mechanisms or campaigning to prevent the control of public media by political parties. If interested civil society actors do not join forces to establish or recover the missing link between the public service media and the public, no one else will.

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